

Department of Mental Health FY 2026 Truly Agreed To and Finally Passed After Vetoes

The Governor signed the FY 2026 budget on June 30, 2025. Below is a summary of the items approved with vetoes in **bold**. The FY26 budget began on July 1, 2025 and totals approximately \$4.4 billion.

GR Pickup Requests

- Employee Support Resources GR Pickup – \$1.7 million Fed and 5 FTE – Provides for ongoing funding and FTE to support the Employee Support Resources program funded in FY25 with federal funding. The federal fund supporting this request in FY25 is considered one-time as expenditures do not earn federal match. The Governor switched funding from GR to Federal funding.
- 988 Services GR Pickup – \$3.9 million GR – Provides additional GR funding to continue 988 services at the current level of funding as federal grant funding is ending. This item requests increased support for the 988 call centers to handle the increased call, text, and chat volume. The House switched to one-time funding requiring DMH to request ongoing funding next year.
- Autism Centers GR Pickup – \$1.4 million GR - Ongoing funding for the Rolla and Springfield Autism Centers funded with federal funding in FY25 to provide evaluations and diagnostic services. The federal fund supporting this request in FY25 is considered one-time as these expenditures do not earn federal match.
- eTMS PTSD GR Pickup – \$6.2 million (\$2.1 million GR) – Provides ongoing funding for the EEG-Guided Transcranial Magnetic Stimulation (eTMS) PTSD program. In FY24, the program received one-time funding and in FY25, the program was supported with federal funding. The Governor switched funding from all GR to GR and Federal funding split. The House increased funding through the Opioid Fund. The Senate recommended increased funding of \$4 million GR. The TAFP is the Senate position. **The Governor vetoed the additional GR funding above the Governor's Recommendation.**
- SMMHC Jail Contract GR Pickup – \$657,000 GR – Provides for ongoing funding for the Southeast MO Mental Health Center (SMMHC) jail contract that was funded with federal funding in FY24 and FY25 that cannot be sustained ongoing. This will continue funding contracted services for Ste. Genevieve and Vernon counties.

Cost-to-Continue

- Overtime Rule CTC – \$0 GR - Provides a placeholder related to a new rule implemented by the US Department of Labor raising the Fair Labor Standards Act's (FLSA's) annual salary level threshold that will affect DD Regional Offices. DMH continues to evaluate the amount needed. The Governor did not recommend funding.
- DD Community Program Federal Authority CTC – \$28 million (\$10 million GR) – Ongoing authority to ensure there is enough funding to pay providers for waiver services currently being provided. The General Assembly reduced authority for Medicaid waiver payments in FY25. The Governor reduced the amount of the request and switched funding from all federal authority to GR and corresponding federal match authority.
- Opioid Community Grants CTC – \$856,000 Other – Provides ongoing authority for Opioid Community Grants to continue funding obligations at the same level prior to reductions that occurred in FY25 and continues prevention resource center and recovery support services at their current level of funding. The Governor recommended only the ongoing authority for Opioid Community Grants to continue funding obligations.
- Legal Representation CTC – \$700,000 GR - Supports additional funding for DMH, Department of Health and Senior Services (DHSS), and Department of Social Services (DSS) for fees associated with legal

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representation for the DOJ investigation for Missouri's alleged violations of the ADA with respect to the placement of individuals with Serious Mental Illness in Nursing Facilities. The House switched to one-time funding.

- Civil Commitment Legal Fees CTC – \$900,000 GR – Provides for additional appropriation authority to continue fully funding attorney expenses incurred on behalf of individuals civilly committed by the courts who are unable to pay and sheriff mileage fees for executing a court warrant for civil involuntary detention proceedings. The Governor recommended increased funding based on updated projections.
- Behavioral Health Crisis Centers CTC – \$2.0 million (\$533,397 GR) – Provides Behavioral Health Crisis Centers (BHCC) a full year of funding needed to operate the centers. Partial funding was appropriated in the FY25 budget based on when the BHCC's opened. The House switched partial funding to the Opioid Fund. The Senate increased funding using one-time federal funding for renovation and partial operating costs to add 10 new BHCC's for adult and youth in several counties. Ongoing funding for operational costs for the new BHCC's will be requested in the FY27 budget. The TAFP is the Senate position. **The Governor vetoed the additional BHCC's added by the Senate.**
- CHIP Authority Increase CTC – \$2.8 million Fed - Provides ongoing federal authority related to increased services provided and paid through the Children's Health Insurance Program (CHIP) federal fund.
- Mental Health Interagency Fund Authority CTC - \$2.7 million Other – Provides for continued increased appropriation authority to provide full reimbursement from DSS/Children's Division (CD) for children in DD waivers due to provider rate increases.
- St. Louis Opioid Reduction Initiative – \$1.1 million Other – Provides ongoing support for the Grassroots Reinvestment for Optimal Well-being (GROW-STL) initiative in St. Louis to continue efforts combating the opioid epidemic. Temporary funding is ending and ongoing funding is requested to continue providing services. The House switched half of the funding to one-time requiring DMH to request ongoing funding next year.
- Intergovernmental Transfer Authority Increase CTC – \$237.0 million (\$115.6 million GR) – Increased authority is requested to ensure Missouri has sufficient state dollars available to draw down federal matching dollars for CPR, CSTAR, and CCBHO programs.
- Abandoned Fund Account Transfer Authority Increase CTC – \$50,000 Other – Provides for increased ongoing authority to accept the transfer from the Abandoned Fund Account into the Mental Health Trust Fund (MHTF).
- Springfield Autism Center – \$1 million GR – Continued funding for a capital improvement project to provide increased capacity for Autism treatment and diagnostic options in Southwest Missouri. Requires a 50/50 match be provided. The Senate did not recommend this request. The TAFP is the House position.

Inflationary Cost Increases

- Environmental Goods and Services Increase – \$565,292 GR – Support increases at state-operated facilities for food (2.86%), medical care costs (.12%), and housekeeping and janitorial costs (2.32%).
- Medication Cost Increase – \$1.7 million GR – Support increase of 5.6% for specialty medications, increases in contracted pharmacy and advanced practitioner services, and the ongoing costs related to the FY25 cost increase for medications and Long Acting Injectable (LAI) medicine, like Invega. The House reduced the request in half indicating a supplemental could be requested if additional is needed. The Senate concurred with the Governor's recommendation. The TAFP is the House position.

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- CCBHO Medicare Economic Index - \$17.5 million (\$7.1 million GR) – Provide a 2.5% inflationary Medicare Economic Increase (MEI) for the Provider Payment System (PPS) rate paid to CCBHO's.
- FMAP Adjustment - \$26.4 million (\$26.3 million GR) – The blended FMAP rate will shift funding from federal to state share for DMH, DHSS, and DSS in FY 2026. The Senate concurred with the Governor's recommendation. The TAFP is the Senate position.
- Healthcare Home Rate Adjustment - \$310,967 (\$109,902 GR) – Provides increased funding averaging 3% annual increase over 8 years for non-CCBHO Healthcare Homes. The TAFP is the Senate position
- DD Provider Rate Increase - \$0 – Funding to support a 1.7% cost of living adjustment for DD providers. The TAFP is a compromise position of 1.25% cost of living adjustment. **The Governor vetoed this item.**
- Targeted Case Management Increase - \$0 – Funding to support a 6.6% rate increase for DD targeted case management providers. The TAFP is the House position.
- DD Day Service Increase – \$0 – Funding to support a 3.2% increase for DD Day Service providers. The TAFP is the House position.

New Decision Items

- FY 2026 Pay Plan - \$9.2 million (\$7.2 million GR) – Appropriation authority for a time-of-service adjustment plan for full-time state employees providing a 1% salary increase for every two years of continuous state service and caps out at 10% for 20 years of service. State employees working in 24/7 facilities that already have this time of service pay plan will get a one percent cost of living adjustment. The House reduced the pay plan to 1% for every two years of continuous state service capped at 5% for 10 years of service for full-time state employees. The Senate concurred with the Governor's recommendation. The TAFP is the Senate position.
- DMH Utilization – \$276.3 million (\$96.3 million GR) – Utilization increases in DMH MO HealthNet programs for DBH and DD. The House reduced DBH due to a requested fund switch and DD by limiting the number of waiver slots to fund which results in a wait list for FY26 in which a supplemental will be needed. The Senate concurred with the House for DBH and concurred with the Governor's recommendation for DD. The TAFP for DBH is House position and a compromise position for DD consisting of Senate position for Residential slots and House position for In-Home slots with limitations placed in the language.
- DMH Contracted Staff – \$27 million Fed - Provides federal authority for FY26 due to staffing shortages seen at DMH facilities. This will support the need to contract with temporary staff to operate their facilities. The Governor recommended increased funding based on updated projections.
- Naloxone Saturation Increase – \$8.0 million Other – Provide ongoing funding to continue supporting naloxone distribution in Missouri. This item was funded as one-time in FY25. The House switched to one-time funding requiring DMH to request ongoing funding next year.
- CHIP Transfer Authority – \$10 million Fed – Provides for federal transfer appropriation authority due to discrepancies between DMH and DSS systems paying for children receiving Medicaid services. Funds are deposited in the CHIP fund but paid out of non-CHIP funds. The transfer will align the funds in the appropriate fund and cash source. The House switched the transfer to be deposited in General Revenue instead of federal and switched to a one-time transfer in FY26. The Senate reduced the transfer amount to reflect the new decision items that were added using federal CHIP Fund cash. The TAFP is the Senate position.
- Community Behavioral Health Liaisons - \$3.4 million Fed – Federal authority for 30 additional Community Behavioral Health Liaisons (CBHLs) to assist misdemeanor defendants in coordinating

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assessments and services for clients. The state share is appropriated in the DHSS budget using cannabis funds. The Senate recommended increased funding for additional 8 youth behavioral health liaisons. The TAFP is the Senate position.

- Forensic Mobile Teams Expansion - \$197,584 GR and 3 FTE – Additional funding for Forensic Mobile Teams to provide treatment to clients who are in county jails awaiting court-ordered evaluations and those who have been court-ordered for competency restoration services in a Division of Behavioral Health (DBH) inpatient facility pursuant to Chapter 552 RSMo. The House switched the expense and equipment requested to one-time funding requiring DMH to request ongoing funding next year.
- Community-Based Placements - \$0 – Provides funding to successfully move individuals currently in Nursing Homes into the community. Funding includes renovations and partial operating costs. The House did not recommend this request. The Senate concurred with the Governor's recommendation. The TAFP is the House position.
- Place of Service - \$14.3 million Fed – Provides authority to provide psychiatric services and case management in skilled nursing facilities. DMH and DSS are coordinating together to provide the delivery of these services to an expanded population of eligible individuals. The House switched all funding to be paid with federal using federal cash to support for the GR portion. The Senate concurred with the Governor's recommendation. The TAFP is the House position.
- Housing Liaisons - \$2.5 million Other – Provides continued funding for housing liaisons to provide Missourians with disabilities assistance in securing housing and receiving supportive services. The Governor recommended a core reduction of GR of the same amount to fund this item with Opioid funding. The House core reduced an additional \$2.5 million GR and increased the same amount through the Opioid Fund. The Senate concurred with the Governor's recommendation. The TAFP is the Senate position.
- DD Hospital Reimbursement - \$3.5 million GR – Additional authority to reimburse hospitals for individuals who qualify for DD placement but cannot be discharged to due to lack of availability within an appropriate community placement. The House recommended a one-time increase in funding. The Senate recommended increased funding of \$3.7 million and removed the one-time designation. The TAFP position is the Senate position with 1x designation on the increased funding added by the House and Senate only. **The Governor vetoed \$3.2 million leaving a \$3.5 million increase.**
- DD Psychiatric Stabilization - \$266,840 (\$66,710 GR) and 1 FTE – Provide funding for a nurse practitioner to expand services in the Kansas City area to help prevent hospital boarding by stabilizing the individual in place so they do not lose their residential provider. Currently, services are being provided in the St. Louis Metro area. The House switched partial funding from GR to Federal.
- MOCDD Slots and Coordination - \$1,582,608 (\$563,050 GR) and 2 FTE – Provides funding for 25 additional Missouri Children with Developmental Disability Waiver (MOCDD) slots to cover medically fragile children with complex needs and 2 FTE to provide the intense level of eligibility coordination required for complex cases. The Senate recommended increased funding for 50 additional slots. The TAFP is the Senate position.
- ARCH Community Crisis Response - \$0 Other – Provides funding for a fire department in Independence that engages in partnerships between social work resources, mental health resources, and emergency responders to connect community members to essential services. **The Governor vetoed this item.**

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- DBH Hospital Reimbursement - \$2 million GR – Provide reimbursement to hospitals for individuals who qualify for placement and support through the Division of Behavioral Health who may otherwise be eligible for discharge but cannot be discharged due to a lack of availability within an appropriate community placement. Funding is a one-time increase in FY26. The Senate recommended increased funding of \$1 million and removed the one-time designation. The TAFP is the Senate position with 1x designation.
- Heartland Behavioral Health Center - \$0 Other – One-time funding for a behavioral health center to prevent and treat opioid substance use by detoxification, temporary housing, treatment programs for sobriety, and fentanyl epidemic recovery. Requires a 50/50 match be provided. The Senate recommended increased funding of \$1.0 million to expand services to Springfield, MO. The TAFP is the House position. **The Governor vetoed this item.**
- Mileage Increase – \$37,875 (\$12,775 GR) – Funding for an increase mileage reimbursement, increasing from 65.5¢ to 70¢.
- Gambling Addiction Support – \$200,000 Other – Funding for the MO Credentialing Board to credential licensed professionals and certified counselors in gambling addiction support, develop and maintain an evidence-based training program, and create a peer gambling credentialing program.
- Prevention Resource Network – \$1 million Other – Funding for grants not less than \$250,000 distributed to Prevention Resource centers for primary care substance use prevention efforts. The Senate did not recommend this request. The TAFP is the House position.
- Regional Autism Centers – \$1 million GR – Provides a one-time funding increase for specialized services for individuals diagnosed with Autism Spectrum Disorders (ASD) and their families.
- The Embassy – \$0 Other – One-time funding for an organization in Pettis County supporting men with substance use disorders through mentorship, education, counseling, and vocational training to renovate facilities. The Senate did not recommend this request. The TAFP is the House position. **The Governor vetoed this item.**
- Crisis Counseling Program - \$2.2 million Fed and 1 FTE – Federal grant funding to support the Crisis Counseling Program to provide services related to presidential disaster declarations. The TAFP is the Senate position.
- Outpatient CSTAR Provider - \$750,000 Other – For an outpatient Comprehensive Substance Treatment and Rehabilitation (CSTAR) provider in St. Louis City to meet increasing substance use needs in the community through clinic and recovery housing renovations and expanded telehealth access. The TAFP is the Senate position.
- BJC Webster Groves Children’s Mental Health Hospital - \$7.5 million GR – Funding for the planning, design, construction, expansion, and operation of a children’s behavioral health hospital and outpatient treatment center for Barnes Jewish Christian (BJC) hospital in the St. Louis area. The TAFP is the Senate position. **The Governor vetoed \$2.5 million of the increase.**
- Compulsive Gaming Prevention Fund - \$5.8 million (\$4 million Other) – Funding to establish a treatment system for individuals with sports gaming addiction issues. The TAFP is the Senate position.
- Grant Authority Increase - \$2.0 million Fed – Federal authority requested in anticipation of receiving the Strategic Prevention Framework-Partnership for Success for States grant. The TAFP position is the Senate position.

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- K-12 Telehealth Program - \$0 – Provides funding for telehealth mental health services to students enrolled in participating school districts with a reimbursement rate of \$15.00 per student per school year. The TAFP is the House position.
- Recovery Lighthouse - \$980,000 Other – Funding for repair and renovation of an organization that provides transitional living and supportive housing for individuals in recovery from alcohol and drugs, located in Johnson and Pettis counties. The TAFP is the Senate position
- Reco Vet Health Care – \$250,000 Other – Funding for the renovation of facilities to expand access to mental health and employment training veterans with substance use disorders. The TAFP is the Senate position.
- Behavioral Health Workforce - \$789,484 – Funding to expand the Child and Adolescent Psychiatry Residency programs and increase the number of scholarships at local universities. The TAFP is a compromise position of federal funding only.
- Crisis and Open Access Utilization Increase – \$0 – Funding to ensure continuing access for needed services and to improve crisis response. Language removing the Medicaid allocation caps for providers is added to the Community Treatment sections for substance use, and adult and youth services. An additional \$3.2 million is added in the DHSS budget utilizing Cannabis funds to aid in this effort. The TAFP is the federal funding from the Senate position. **The Governor vetoed this item including the language removing the caps for providers; however, \$3.2 million remains in Cannabis funds.**
- PTSD for EMS - \$0 – Funding to support the treatment of first responders through the Missouri First Responder Provider Network. The TAFP is the House position.
- Eating Disorder Council Increase - \$0 GR – Funding to support an increase to the Eating Disorder Council to increase access for screening and treatment for high school students. The TAFP is the Senate position. **The Governor vetoed this item.**
- Youth Community Non-Medicaid Increase - \$3 million Fed – Funding to support non-Medicaid CCBHO services to continue serving current populations. The TAFP is a compromise position switching half the funding from GR to federal funds. **The Governor vetoed \$3 million GR of this item leaving \$3 million Federal.**
- Youth Resiliency Campus - \$1.9 million (\$1 million Other) – Funding for a youth resiliency campus in Greene County. The TAFP is the Senate position.
- Behavioral Health Services for Children - \$0 – Funding for an FQHC in the Kansas City area to expand comprehensive psychological assessments for children diagnosed with behavioral health conditions. The TAFP is the House position.
- Doorways - \$0 - Funding for housing and related supportive services to improve the quality of life and health outcomes for individuals and families affected by HIV/AIDS to allow them to return to a productive society status. Requires a 50/50 match be provided. The TAFP is the House position.
- Adolescent Mental Health Beds - \$1.6 million GR – Funding for the renovation of two inpatient psychiatric units at an outpatient children's clinic in the Kansas City area. Requires a 50/50 match be provided. The TAFP is the Senate position.
- Burrell Behavioral Health Center - \$3.5 million GR – Funding to establish a substance use treatment facility in Independence and Clay County. Requires matching funds. The TAFP is the Senate position.